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Will new EU be Kansas friend or foe?

By John Blundell

Saturday, the European Union will grow by 10 countries and just less than 80 million people. Though such an event may seem worlds away, Kansans must ask themselves, "Will the newly enlarged EU pose a threat here?"

A more unified Europe may be able to streamline certain industries and provide stiffer competition. There is no doubt, for instance, that subsidies to European firms such as Airbus can cause short-term pain to domestic companies such as Boeing. Though such short-term considerations certainly raise important issues, Kansans must also weigh the impact of an expanded EU on all political and economic fronts.

From the European perspective, both old and new members believe they can participate in an ever-closer union without loss of sovereignty. Such belief, if wrong, ultimately will have a greater impact on Kansans than any short-term economic impact.

What perhaps merits greater concern is the potential for instability in the region. The founding philosophy of the EU has little regard for the nation-state. This translates into a desire to manage all aspects of political and economic life, a preference for group rights over individual rights, and a fear of competition.

Then there are the political problems. The European economy has increasingly intrusive regulation and rigid labor markets that threaten to undermine the economy. Such regulation stymies economic growth. In fact, the United States has experienced growth six times that of the EU.

The EU's top-down approach and lack of democratic accountability also have led to vast corruption. To put it mildly, the EU makes Enron look clean. Five years ago, the entire college of commissioners had to resign, and it's been 10 years since the EU's own Court of Auditors approved the accounts. Ernst & Young calculates that \$8 billion goes missing annually.

Such instability should be troubling to all observers across the Atlantic. Over time, policy conflicts between the EU and the United States are inevitable. The lengthy list of potential disagreements includes approaches to Iraq, Palestine, Iran and Cuba as well as environmental, trade, agricultural and arms issues.

Though unfortunate, if viewed objectively, the expanding European Union may be nothing more than a fragile house of cards. In light of this reality and questions arising out of the war in Iraq, U.S. policy-makers who have viewed the establishment and growth of the union with favor would do well to re-evaluate their stance.

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